

NIPOMO COMMUNITY SERVICES DISTRICT

MINUTES

REGULAR BOARD MEETING JANUARY 4, 1995 7:30 P.M.
BOARD ROOM 261 W. DANA STREET, SUITE 100 NIPOMO, CA

BOARD MEMBERS

STEVEN SMALL, President
KATHLEEN FAIRBANKS, Vice President
ALEX MENDOZA, Director
ALBERT SIMON, Director
ROBERT BLAIR, Director

STAFF

DOUGLAS JONES, General Manager
DONNA JOHNSON, Secretary to the Board
JON SEITZ, General Counsel

CALL TO ORDER AND FLAG SALUTE

President Steven Small called the meeting to order at 7:30 p.m. and led the flag salute.

APPROVAL OF MINUTES

1. REGULAR MEETING OF DECEMBER 7, 1994
Upon the motion of Director Mendoza and seconded by Director Simon, the Board unanimously approved the minutes of the December 7, 1994 Regular Meeting.

PUBLIC COMMENTS PERIOD

2. PUBLIC COMMENTS
Public comments on matters other than scheduled items.
Presentations limited to three (3) minutes.
President Small opened the meeting to public comments.
There were no public comments at this time.

BOARD ADMINISTRATION

3. MONTECITO VERDE I SEWER SYSTEM FEES
Review cost and fees for connecting MVI sewer system to the District and develop a method for payment.
Mr. Jones explained that Montecito Verde I is a 49 lot subdivision within the Nipomo Community Services District built prior to the construction of the area wide sewer system. The County developed the County Service Area 1-C to operate and maintain this system. When the area wide sewer system was developing, the County made a determination that CSA 1-C would not connect to the sewer system since the community septic system was operating properly. The Regional Water Quality Control Board in January 1991 transferred the discharge requirements for Montecito Verde I from the County to the District. About the middle of 1991 the system totally failed. Raw wastewater was surfacing at the disposal site. Due to the health hazard existing, via emergency, the District connected the system into the Nipomo area-wide sewer collector system at a cost of \$13,250. After this occurred, a letter was sent to all homeowners stating that they would be charged a monthly service fee of \$20.00 per month (which has since been reduced to \$16.00 per month) and that an assessment district would be formed to pay for the sewer connection of \$3,500 per lot. Mr. Jones presented some possible ways of collecting the fees.

1. Voluntary payment by the property owners.
2. Put a lien on the property for the amount so that when the property is sold, the lien amount is collected.
3. Put the dollar amount owed on the tax rolls which would be collected the following year with the taxes to be paid.
4. Set up a *zone of benefit* where the dollar amount could be collected over a period of years. In the process of creating a *zone of benefit*, if there is a 50% or greater protest, the proceedings to create a *zone of benefit* would be defeated.
5. Initiate the formation of an assessment district, similar to what was done at Summit Station, to collect the necessary fees.

Mr. Jones suggested that a combination of the above may be implemented to collect the fees. *Zone of benefit* and the Assessment District are similar but have different procedures.

Speakers from Montecito Verde I were as follows:

Howard Ketchum, 540 Montecito Verde Could the fact that the County did not pump properly have caused the premature failure? Also, does the property for leach fields belong to the property owners?

The system had a life of 10-15 years. Mr. Jones said he will check with the County concerning the ownership of property.

Mike Campbell, 535 Montecito Verde If the ball was dropped, then residents should have been notified.

Director Mendoza suggested that this question should be taken up with the County. The concern for this meeting is connection fees.

Alran Ramirez, 591 Division If the septic system was pumped, then maintenance logs should have been kept.

Director Simon suggested that the residents ask the County for the maintenance records.

Director Small said the life expectancy of the system was 10-15 years and that has expired.

Mr. Campbell - Why were residents not allowed the option to volunteer and receive the lower fee?

Mr. Jones said that SLO County made that determination.

Mr. Ketchum - Will the residents of MVI have a choice of options for funding?

Mr. Jones said that the District will keep residents informed. He also explained that Farmers Home Grant or Loan is available to certain income groups. Also there is a possibility of a monthly fee or a lien or a combination.

Director Blair suggested a questionnaire be sent to residents listing options and go with the majority.

Director Mendoza - If residents have resistance to pay for sewer connection they should take up any grievance they might have with the County.

Mr. Ramirez - Believes that the County mistreated the residents of Montecito Verde I.

Mr. Campbell asked how the District arrived at the \$3500 figure?

Mr. Jones said the fee was developed during the sewer project and Mr. Campbell could look at the records if he wished.

Director Fairbanks moved to direct staff to identify options for payment of the fees for connection of Montecito Verde I to the District sewer system. Director Blair seconded the motion. The motion passed unanimously.

4. MONTECITO VERDE II SEWER DESIGN CONCEPTS

Review options and costs to connect MVII sewers to the District services.

Mr. Jones explained that Montecito Verde II is a 32 lot subdivision developed before the Nipomo Sewer Project was constructed. MV II presently has five on-site sewer disposal systems taking the area's sewage. The Nipomo Sewer Project Grant requires all on-site sewer disposal systems in the prohibition area be connected to the District's sewer system by April 1997. Since MV II is in the prohibition area, its system needs to be connected to the District sewer. Some residents have been experiencing minor problems.

The engineering firm of Cannon Associates has developed two sewer connection options for servicing the Montecito Verde II Subdivision.

Mr. Russ Thompson of Cannon Associates explained the two options that were developed to connect MVII to the District system.

Option 1 was estimated to cost approximately \$241,850. Option 2 was estimated to cost approximately \$106,860. Option 1 would benefit properties outside the MVII area. The District could be reimbursed when those properties connected to the sewer system.

President Small opened the floor to public comments.

Joe Escobedo, 594 Belanger Drive - Are we (the residents) being taxed for the properties that the septic sites are on?

Answer - No, only the back portion of some lots are taxed.

Larry Neal, 530 Meredith Ave. - Who pays for the abandonment of the existing septic sites?

Answer - This would be part of the construction project.

Greg Rodriguez, 515 Meredith Ave. - How can you say leach line property belongs back to Farmers (meaning PSHH)? When was the area-wide sewer system planned?

Answer - The sewer has been in the planning since the mid 70's. The voters decided against a full District sewer system so the plans were dropped. When downtown residents had failing systems, the Board took the volunteer approach in the 80's when there were apparent health hazards. The sewer was complete around April 1986.

Don Ritenour, 635 Quito St. - He questioned how assessment district was set up for Summit Station. When MVII was approved, why was there no mention of the homes needing to be connected to the sewer system in April 1997?

Director Small - Connecting to the District sewer system must happen by 1997. The District is trying to get this resolved now in time for the 1997 deadline from the Regional Water Quality Control Board.

Mr. Ritenour - Who's responsibility is it that the system was not maintained? Why were the MVII resident not notified of the 1997 deadline long ago? The residents are surprised by this information.

Mr. Neal - Why does MVI have to pay only \$76.00 but MVII residents have to pay \$2,600.00 for construction?

Mr. Jones explained that MVI was nearer the sewer main on Frontage, therefore, the cost of connecting is significantly different from MVII. Other aspects such as easements also contribute to the higher costs.

The Board wished to study the different options further before making a decision. No action was taken.

5. PARCEL MAP CO 89-217 - SEWER & WATER FEES - MOORE
Request to pay sewer and water fees from an escrow account.

Mr. Kenneth Moore is requesting that the water and sewer system fees for his 4-lot development (known as CO 89-217) be paid out of an escrow account. Director Simon moved to direct staff to prepare a letter to the escrow company identifying fees needing to be paid from the escrow account. A will-serve letter will be given at time of payment of fees and after conditions outlined in October 6, 1994 letter are met. Director Fairbanks seconded and the motion passed unanimously.

6. TEFFT STREET/HWY 101 OVERCROSSING UTILITIES
Request for bids to construct utilities across the new Tefft St. overcrossing of Hwy 101. Cal Trans has awarded the contract for the construction of the overpass at Tefft St. & Hwy 101. Cal Trans has requested that the contractor for the District's portion of the construction be selected as soon as possible so the bridge construction and the utilities can be coordinated with the Cal Trans contractor. Director Fairbanks moved to advertise the project for construction bids. Director Blair seconded. The motion passed unanimously.

7. ANNEXATION POLICY REVIEW - HAZEL LANE, ETC
Review of existing policy - Impact on District services.
Mr. Jones explained that the subject of annexation was requested by the Board to be put on the agenda. Director Fairbanks moved to establish a Study Session for January 12, 1995 at 6:30 p.m. Director Blair seconded and the motion passed unanimously.

8. CAMINO CABALLO WATER MAIN
Review water line design and request for bids.

The Camino Caballo Water line project needs to be funded and requests for bids need to go out to contractors. Board members wished to have more information concerning the size and impact of project. This item was tabled until after the January 12 Study Session. Mr. Blair is against doing an EIR.

LAND DEVELOPMENT

9. TRACT 2182, INTENT-TO-SERVE
Request for an Intent-to-Serve letter for a 7 lot subdivision at Camino Caballo and Calle de Topo
Director Fairbanks moved to issue an Intent-to-Serve letter to Tract 2182 conditional to water service being installed on each lot and all District fees be paid. Director Blair seconded and the motion passed unanimously.

10. COMMERCIAL DEVELOPMENT - INTENT-TO-SERVE
Request for an Intent-to-Serve letter for a commercial Development at the South-East corner of Dana & Burton St
Upon motion of Director Fairbanks and seconded by Director Simon, the Board unanimously approved to issue an Intent-to-Serve letter subject to conditions to Jim Miller for Project # D940110D, a commercial development at the corner of Dana and Burton Streets. The conditions are as follows:
 1. Final improvement plans be submitted to the District for approval and all appropriate sewer and water fees and other fees be paid.
 2. A set of As-built drawings be submitted to the District so that the final fees and charges for water and sewer may be determined before final approval.

FINANCIAL REPORT

11. APPROVAL OF WARRANTS
Upon motion of Director Mendoza and seconded by Director Blair, the Board unanimously approved the warrants presented at the January 4, 1995 meeting.

OTHER BUSINESS

12. MANAGER'S REPORT
Mr. Jones presented information on the CSDA workshop entitled 'Practicalities of Running the District: Directors and Managers.'

A copy of an article included in the packet was concerning a Livermore lab that has developed a cheaper way to desalinate ocean water.

An article concerning the City of San Luis Obispo was also included.

The Standpipe on Hetrick had a small fire when some kids lit a T-shirt soaked in lighter fluid and threw it in the tank. The damage was minimal.

13. DIRECTORS COMMENTS
14. PUBLIC COMMENTS

Director Small adjourned the meeting at 11:05 p.m.